



Deputy Inna Gardiner
Chair
Public Accounts Committee

By email only

8 August 2024

Dear Deputy Gardiner

Procurement Review

Thank you for your letter of 11 July 2024.

Please see response to your questions as below for Justice and Home Affairs, including the States of Jersey Police:

1. How often does your department utilise the central procurement system for acquiring goods and services?

The Justice and Home Affairs (JHA) Business Support Unit use Ariba multiple times throughout the day and are responsible for raising requisitions, processing invoices, and booking for all JHA Services, apart from the States of Jersey Police (SoJP).

In Q1 and Q2 of 2024, JHA's Business Support Officers raised over 1200 requisitions. From beginning of January 2023 to the end of June 2024, JHA (including SoJP) 9991 purchase orders were created, which is an average of 555 per month. This is indicative information supplied from the Commercial Services and relates to purchase orders only.

The bespoke nature of procurement activity over the last couple of years, procuring goods and services specific to Major Incidents, has meant that at times JHA have been liaising with Commercial Services on an almost weekly basis.

The nature of this engagement included:

- Breaches & Exemptions – system use
- Central procurement intranet portal
- Seeking advice from the JHA's Commercial Services Category Lead

Due to the breadth and variety of requests JHA's Head of Business Support regularly consults with the Commercial Services Category Lead, from a governance perspective and to ensure that requests are coordinated efficiently.



2. At what levels in terms of monetary value (e.g., small, medium, large purchases) do you most regularly engage with the central procurement system most frequently?

Procurement requests are categorised into five different sourcing routes (as detailed on the footnote below¹). JHA engagement has been mostly routes 1 – 4. However there have been a number of engagements over £100k due to major incidents. This is indicative information supplied from the Commercial Services and relates to purchase orders only.

	1. Under £1k	2. £1k - £25k	3. £25k - £100K	4. £100,000+	Total
Purchase Orders	7345	2574	56	16	9991

There has been recent engagement with commercial resource in relation to a JHA project- the procurement of a Mobile Data Terminal platform for Fire and Rescue. This resource is assisting with creation of PQQ, ITT, supplier engagement and potentially contract creation. This engagement is estimated to cost around £25,000.

3. What aspects of the central procurement system work well and what challenges or issues does your department face when using the central procurement system?

Procurement processes and sourcing routes are also defined in the 'Procurement Best Practice and Procedures: user guide and toolkit'. This information is located on the commercial services intranet site, which is kept up to date and is easy to navigate. This information source is complimented by JHA's Commercial Services contact who is very responsive and a trusted source of information and advice.

The main issue departments face is knowing if suppliers are using Ariba fully and uploading own invoices/SES. We currently have to ask each supplier if they upload own invoices in order to know if we have to manually send the invoice to Accounts Payable team for processing.

4. How would you describe your department's relationship with suppliers when using the central procurement system and what feedback have you received from suppliers about their experiences with the central procurement system?

Feedback from suppliers regarding the Ariba system has been both positive and negative. During the implementation period in 2023, there were a variety of issues with suppliers not getting paid and this resulted in a considerable number of escalations and negative feedback. With increased use and

<p>How to Buy</p> <p>Step 1: Establishing a budget</p> <p>Step 2: Purchasing from a Catalogue</p> <p>Step 3: Purchasing Frameworks</p> <p>Step 4: New Procurement</p> <p>Step 5: Non-catalogue requisitions</p> <p>General Help & Guidance</p>	<p>Goods & Services Catalogues</p> <p>Apparel, Luggage & Personal Care</p> <p>Building, Construction & Infrastructure</p> <p>Business & Administrative Services</p> <p>Catering Food & Beverages</p> <p>Educational Supplies</p> <p>FM, Chemicals & Cleaning Equipment</p> <p>Services and Freight Charges</p> <p>IT & Communication Equipment</p> <p>Medical, Health & Social Care</p> <p>Office Supplies & Printed Matter</p> <p>Uniforms, Clothing & PPE</p>	<p>Purchasing Frameworks</p> <p>Booking travel</p> <p>Civil Engineering Contractor</p> <p>Digital & Change Consultancy</p> <p>FM, Small Works & Maintenance</p> <p>Hiring Temporary Staff</p> <p>Legal services</p> <p>Policy Consultancy</p>	<p>New Procurement Requests</p> <p>Sourcing Route 1: Up to £1,000</p> <p>Sourcing Route 2: £1,001 - £25,000</p> <p>Sourcing Route 3: £25,001 - £100,000</p> <p>Sourcing Route 4: Over £100,000</p> <p>Sourcing Route 5: Consultancy Services</p> <p>Major Projects</p>
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knowledge of Ariba, the situation has now improved significantly, and we are receiving hardly any negative commentary now, with most payments being made in good time.

JHA staff have good working relationships with multiple suppliers around the world and are maintaining and nurturing these relationships. The frequency and nature of the engagement with suppliers by JHA staff has increased using Ariba, with the previous system 'Supply Jersey' this level of engagement was not required.

5. Can you provide details on the number of engagements that have been extended above their original value over the past 5 years?

Over the last 5 years² the total number of recorded contracts in JHA is 75 with a total value £5,962,188. The number of contracts extended is 14 with total value £947,530.

6. How do you evaluate the delivery and closure of individual procurements within your department?

The evaluation criteria are applied based on the type of procurement and the amount of anticipated spend and takes into account the guidance in the Public Finances Manual (PFM). To ensure that this is common practice for relevant staff, all members of the JHA Change Oversight group have recently been given a full understanding of the key parts of PFM by Treasury colleagues.

As part of all projects, there is strict adherence to the CPMO framework where lessons learnt for the entire project will be captured as examples of previous experience. This would naturally capture any procurement workstream and any relevant experience than applied to future relevant procurement exercises.

7. Does the current level of autonomy provide work well for your procurement needs?

The turnover of staff within Commercial Services had previously impacted on the availability and consistency of support. However, things have stabilised, and this is no longer an issue.

The level of service provided to JHA in 2023 / 24 has worked well - when we have needed expertise we have received the necessary support.

However, a more proactive approach with dedicated expertise would prove useful, similar to a Finance Business Partner role or Business Enablement Manager, to embed and understand departmental needs. This may alleviate delays and future year planning.

8. Do you have any additional suggestions or recommendations in order to further enhance procurement processes?

Supplier training

² Contracts and extension documents from across GoJ have been held within a central contract register since 2021. The data provided is based on the information within that time frame.



On occasion JHA Business Support staff have had to visit local suppliers to talk them through how to upload invoices and follow relevant processes as they have not been able to follow the online training guides.

The generic training offer should be enhanced to include face to face training sessions on the 'Ariba Supplier portal' for local suppliers (this could be complemented by video training guides for overseas users). By offering this training as standard, new suppliers would be able to fully use the 'Ariba Suppliers portal' to upload own invoices etc and this would lead to less manual intervention by GOJ employees, which in turn would speed up the processing time for payments.

Suppliers should also be encouraged to link/create online punch out catalogues on Ariba which would further speed up the ordering process for regularly used suppliers.

Exemption process review

Ability to utilise government framework contracts such as 'Bluelight' within specific parameters, but without the need for an exemption, would enable quicker processes and reduce the need for local tendering / exemptions.

Providing more transparency or ability to represent ourselves at the Exemptions / Approvals board. Sometimes we receive rejections without consultation, and this lengthens the process as it effectively restarts.

Utilising supplier terms currently requires an exemption but this for some areas is impossible e.g. software licences. Could consideration be given to having this being permissible up to a certain value or where trading with other governments e.g. FDCO will not accept a PO without their terms.

The PFM states that contracts up to £100k can be approved by the Accountable Officer without an exemption however in practice this still goes to an approval board, which adds in delay.

I trust that this letter provides you with the additional information requested. Should you require any further clarification please let me know.

Yours sincerely

Kate Briden

Chief Officer, Justice and Home Affairs



Justice and
Home Affairs

19-21 Broad Street
St Helier
Jersey
JE2 3RR